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BEFORE THE ARIZONA CORPORATION COMMISSION

25HC

COMMISSIONERS

2004 JUL 13 P 1:35

Arizona Corporation Commission

DOCKETED

JUL 13 2004

MARC SPITZER, Chairman  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
MIKE GLEASON  
KRISTIN K. MAYES

AZ CORP COMMISSION  
DOCUMENT CONTROL

DOCKETED BY	<i>AM</i>
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IN THE MATTER OF THE.

DOCKET NO. S-03493A-03-0000

ROBERT C. FROST/ROBIN FROST  
Husband and wife,  
6062 E. Ludlow  
Scottsdale, AZ 85254.

SEVENTH  
PROCEDURAL ORDER

**BY THE COMMISSION:**

On April 3, 2003, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Robert C. Frost and Robin Frost ("Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities.

The Respondents were duly served with a copy of the Notice.

On April 10, 2003, a request for hearing was filed for Respondents.

On April 11, 2003, by Procedural Order, a pre-hearing conference was scheduled for April 30, 2003.

On April 30, 2003, counsel for the Division and the Respondents appeared at the pre-hearing conference. Respondents requested a 30-day extension of time in which to file their Answer to the Notice. The Division did not object to this request. Counsel for the parties also indicated they were going to discuss a possible resolution of the proceeding in the interim. It was also agreed that an additional pre-hearing should be scheduled in approximately 45 days.

On April 30, 2003, by Procedural Order, leave was granted for Respondents to file their Answer until June 2, 2003 and an additional pre-hearing scheduled.

On June 2, 2003, Respondents filed their Answer.

On June 17, 2003, another pre-hearing conference was held with the Division and Respondents represented by counsel. The status of the proceeding was reviewed and matters relating

1 to discovery were discussed. The Division stipulated to the amendment of Respondents' Answer  
2 being filed by June 30, 2003. The parties further agreed that for scheduling purposes, an additional  
3 pre-hearing conference be scheduled in the latter part of October after the expected conclusion of  
4 discovery which has been delayed due to the absence of investor witnesses from Arizona until  
5 approximately the end of August, 2003.

6 On June 17, 2003, by Procedural Order, another pre-hearing conference was scheduled on  
7 October 23, 2003. Leave was granted to file Respondents' amended Answer by June 30, 2003.

8 On October 23, 2003, the Division and Respondents appeared through counsel. It was agreed  
9 that counsel for the parties would subsequently contact the presiding Administrative Law Judge to  
10 schedule a hearing on the Notice. Counsel have failed to contact the presiding Administrative Law  
11 Judge to schedule a hearing as agreed and an additional pre-hearing conference should be held to  
12 schedule the hearing.

13 On January 16, 2004, by Procedural Order, a pre-hearing conference was scheduled for  
14 January 29, 2004.

15 On January 21, 2004, counsel for the Division filed a Motion to Reschedule the pre-hearing  
16 conference due to a scheduling conflict of counsel.

17 On January 22, 2004, by Procedural Order, the pre-hearing conference was rescheduled to  
18 February 12, 2004.

19 On February 12, 2004, at the pre-hearing conference, the Division and the Respondent agreed  
20 that a hearing be scheduled to commence on July 26, 2004. They also agreed to exchange copies of  
21 the exhibits and witness lists prior to the proceeding.

22 On February 13, 2004, by Procedural Order, the proceeding was scheduled to commence on  
23 July 26, 2004.

24 On July 13, 2004, the Division and Respondents filed a request to continue the above-  
25 captioned proceeding pending Commission approval of a Consent Order which is to be presented at  
26 the Commission's Open Meeting on August 19, 2004.

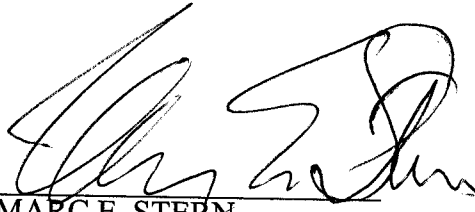
27 Accordingly, the proceeding should be continued.

28 IT IS THEREFORE ORDERED that the hearing scheduled for July 26, 2004, shall be

1 continued indefinitely pending Commission approval of a proposed Consent Order.

2 IT IS FURTHER ORDERED that if the Consent Order is not approved, the Division shall file  
3 a motion to reschedule the proceeding.

4 DATED this 13<sup>th</sup> day of July, 2004.

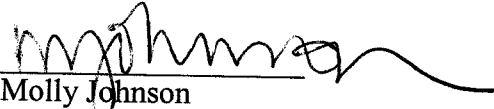
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MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed/delivered  
10 this 13 day of July, 2004 to:

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